Public Service Labour Relations Board

Performance Report

For the period
ending March 31, 2008

The Honourable James Moore,
P.C., M.P.
Minister of Canadian Heritage
and Official Languages

TABLE OF CONTENTS

SECTION I: OVERVIEW 3

Message from the Chairperson 3
Management Representation Statement 5
Summary Information 6
Summary of PSLRB Performance 9

SECTION II: ANALYSIS OF PROGRAM ACTIVITY BY STRATEGIC OUTCOME 23

Detailed Analysis of Program Activity 23
Description of Program Activity 23
Performance Measurement Framework 25

SECTION III: SUPPLEMENTARY INFORMATION 34

Financial Performance Overview 34

Financial Tables 34
Table 1: Comparison of Planned to Actual Spending 35
Table 2: Voted and Statutory Items 36
Table 3: Travel Policies 36

Financial Statements 37
Statement of Management Responsibility 37
Statement of Operations 38
Statement of Financial Position 39
Statement of Equity of Canada 40
Statement of Cash Flow 41
Notes to the Financial Statements 42

Appendix A: Adjudication Services 47

Appendix B: Synopsis of Applications for Judicial Review of Decisions 48

Appendix C: Collective Bargaining Cases 49

Appendix D: Other Information 50

How to Reach Us 51

SECTION I: OVERVIEW

Message from the Chairperson

I am pleased to present the 2007-2008 Performance Report for the Public Service Labour Relations Board (the PSLRB).

The PSLRB administers the legislative framework within which labour relations are conducted in the federal public service. Our clients are the more than 50 employers and bargaining agents covered by the *Public Service Labour Relations Act* (*PSLRA*). By striving to provide flexible and multi-faceted services to help these parties achieve harmonious labour relations, we ultimately benefit public service employees and the Canadians they serve.

In 2007-2008, the PSLRB reaffirmed its vision and mission and produced a new multi-year strategic plan, which includes a well-defined performance measurement framework and performance targets for future years. In this year's Performance Report we begin to report baseline performance data for most of our mandated services, drawing upon the results of our latest Client Satisfaction Survey. In the future, more detailed performance information will be available from our new automated case management system after it has been operating for a full reporting period.

The period 2007-2008 saw the first decline in the number of new cases received by the PSLRB since the coming into force of the *PSLRA* on April 1, 2005. New cases fell by 10% compared with the previous year. At 4819 active files, however, the overall caseload remains high.

The yearly rise in the number of new cases referred to adjudication over the last several years has posed challenges for the PSLRB. The large volume, combined with an increasingly complex caseload, the resource limitations of our clients, our own unstable funding, and a reduced complement of full-time and part-time members available to hear cases due to unfilled Board vacancies, has inevitably affected the timely delivery of our services. I remain hopeful that efforts in 2008-2009 will yield a funding solution that supports full implementation of the *PSLRA* in the years ahead.

As outlined in our Report on Plans and Priorities for 2007-2008, we continued our ongoing efforts to bring the caseload to a more manageable level and to expedite delivery of our services. For example, we have made headway in discussions with our two largest clients, the Public Service Alliance of Canada and the Treasury Board, about ways to better manage the large number of cases involving the two organizations. Meetings in 2007-2008 to consider innovative ways to tackle these cases have led to plans for a project piloting various approaches in 2008-2009.

We also continued to employ new case management tools and to make more use of pre-hearing conferences in an effort to streamline and speed up the processing of cases. By actively promoting mediation as an alternative way to resolve disputes, we have reduced the number of cases that go to formal adjudication.

A single mediation can often resolve numerous similar cases. In 2007-2008, we were able to provide mediation services that affected a total of 899 grievance and complaint cases. Parties were able to settle or withdraw 807 of those cases before they went to a hearing, resulting in an 89% success rate. Going forward, the PSLRB will build on its strong reputation for mediation by exploring additional ways to promote our services.

In 2007-2008, we also sought to solidly establish the compensation analysis and research function, to deliver compensation data, and to continue to improve the PSLRB's management framework and infrastructure. We made significant strides in all these areas.

Our 2007 Client Satisfaction Survey tells us that our clients are generally quite satisfied with all our services. There are a few areas, of course, where client satisfaction is not as high, such as with the timeliness of some of our processes, and we will intensify our efforts to address these concerns in the future. I would like to sincerely thank our Board members, managers and employees for their hard work over the past year. It is their dedication and professionalism that are ultimately responsible for the achievements outlined in this report.

Casper Bloom, Q.C., Ad. E.
Chairperson
Public Service Labour Relations Board

Management Representation Statement

I submit for tabling in Parliament, the 2007-2008 Performance Report for the Public Service Labour Relations Board.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007-08 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*:

- It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- It is based on the PSLRB's approved Strategic Outcome and Program Activity Architecture that were approved by the Treasury Board;
- It presents consistent, comprehensive, balanced and reliable information;
- It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- It reports finances based on approved numbers from the Estimates and the Public Accounts of Canada.

Casper Bloom, Q.C., Ad. E.
Chairperson
Public Service Labour Relations Board

Summary Information

Reason for existence

The Public Service Labour Relations Board (the PSLRB) is an independent quasi-judicial tribunal responsible for administering the collective bargaining and grievance adjudication systems in the federal public service and the institutions of Parliament (the House of Commons, Senate, Library of Parliament and the Office of the Conflict of Interest and Ethics Commissioner).

The PSLRB provides three main types of service:

- adjudication – hearing and deciding grievances, complaints and other labour relations matters;
- mediation – helping parties reach collective agreements, manage their relations under collective agreements, and resolve disputes without resort to a hearing; and
- compensation analysis and research – conducting compensation comparability studies and providing information that can be used in the negotiation and settlement of collective agreements.

The PSLRB benefits Canadians by supporting a harmonious relationship between federal public service employees and their employers, which improves the ability of the Public Service of Canada to serve the public interest.

Financial resources

($ thousands)

	2007–08	
Planned Spending	**Total Authorities**	**Actual Spending**
$11,405	$15,181	$11,727

Human resources

(full-time equivalents)

	2007-08	
Planned	**Actual**	**Difference**
104	89	15

Note: Please see Financial Performance Overview for an explanation of the difference between planned spending, total authorities and actual spending.

Priorities

Name	Type	Performance Status
1) Deliver on the PSLRB's statutory mandate under the *Public Service Labour Relations Act* and the *Parliamentary Employment and Staff Relations Act*.	Ongoing	Successfully met
2) Continue to enhance and improve the PSLRB's management framework and infrastructure.	Ongoing	Successfully met

Program activities by strategic outcome

Strategic Outcome: Harmonious labour relations in the federal public service and in Parliament **Program Activity: Adjudication, mediation, and compensation analysis and research**			
		2007-2008	
Priority	**Expected Results**	**Planned Spending**	**Actual Spending**
1) Deliver on the PSLRB's statutory mandate under the *Public Service Labour Relations Act* and the *Parliamentary Employment and Staff Relations Act*	Grievances, complaints and other applications are resolved fairly, in line with legislation, and in a timely manner. Mediation results in increased collaboration between labour and management. Timely access to compensation information supports the collective bargaining and compensation determination processes in the federal public service.	$11,150	$11,534
2) Continue to enhance and improve the PSLRB's management framework and infrastructure	Modern management policies, practices and systems support high performance and clearly defined accountabilities.	$255	$193

($ thousands)

Summary of PSLRB Performance

Operating environment and context

On April 1, 2005, the new *Public Service Labour Relations Act (PSLRA)* came into force in the federal public service, replacing the *Public Service Staff Relations Act*, which had existed since collective bargaining was introduced in 1967.

The *PSLRA* was introduced as part of a larger set of reforms to human resource management in the federal public service. The new Act was specifically intended to foster more collaborative labour relations in support of healthy and productive public service workplaces. It recognizes that the relationship between labour and management benefits significantly from more dialogue and less confrontation between the parties.

The *PSLRA* covers some 233,000 federal public service employees and applies to departments named in Schedule I of the *Financial Administration Act*, the other portions of the core public administration named in Schedule IV, and the separate agencies named in Schedule V.

The Treasury Board, which is the largest of the employers, employs some 170,000 public service employees in federal government departments and agencies. Some 63,000 public service employees work for one of the other employers, which range from large organizations such as the Canada Revenue Agency to small organizations such as the National Capital Commission.

As of March 30, 2008, 21 bargaining agents were certified to represent 84 bargaining units in the federal public service. Fifty-eight percent of unionized employees are represented by the Public Service Alliance of Canada as certified bargaining agent, a further 27% are represented by the Professional Institute of the Public Service of Canada, and the remaining 15% are represented by 19 other bargaining agents.

Employees of the federal public service deliver a vast range of programs and services to Canadians. More effective relationships between labour and management can prevent work disruptions and disputes that result in delays, interruptions, or deterioration in the quality of programs and services Canadians rely on. An environment that promotes increased collaboration between employers and employees can improve the ability of the public service to serve and protect the public interest.

With the enactment of the *PSLRA*, the PSLRB received an expanded mandate, which includes the delivery of compensation analysis and research services, enhanced mediation and conflict resolution services, an increased adjudication function and revamped collective bargaining processes. At the same time, the PSLRB continues to provide many of the same services as the former Public Service Staff Relations Board and to build on its accomplishments and solid body of jurisprudence.

Additional human and financial resources have been required to carry out the PSLRB's new mandate. Since 2003, the PSLRB has been allocated transitional funding on a temporary basis and has been required to re-apply for it every year, hampering its ability to carry out effective long-term planning and make future commitments. This uncertainty and lack of a permanent stable funding base represents a key risk for the PSLRB's ongoing delivery of its new statutory functions.

The PSLRB relies on Board members who are Governor in Council appointees to adjudicate cases and render decisions. Delays in appointing individuals to fill Board vacancies and in re-appointing current Board members diminish its ability to function expeditiously. Since cases can only be heard and decided by full- and part-time Board members, a reduced complement of members lowers the number of cases that can go to hearing. The fact that the PSLRB lacked a full roster of Board members through the beginning of the fiscal year led to fewer cases being heard than in previous years. By March 31, 2008, however, a number of new appointments had been made and the Board lacked only one full-time member.

Issues in the labour relations and collective bargaining environments have the potential to impact the volume of cases before the PSLRB and the timeliness of mediation and adjudication services. For example, bargaining agents have in the past filed larger numbers of grievances as part of a strategy to press for solutions to common problems experienced by their members. Such strategies can result in a large volume of similar grievances being referred over a very short period of time, such as several hundred in the course of one week. These groups of cases can and have been withdrawn without formal PSLRB intervention once the matter has been resolved during collective bargaining or elsewhere.

The PSLRB's adjudication services are very much influenced by the availability of resources devoted to labour relations cases by the parties appearing before it. When employers and bargaining agents experience reduced capacity to deal with the existing volume of grievances and complaints—as they have in recent years—requests for postponements increase, which introduce delays in the processing of cases by the PSLRB.

Adjudication services are also affected by the growing complexity of cases being referred, including those involving human rights and duty-to-accommodate issues. Furthermore, the PSLRB continues to witness a rising number of individuals who are represented, not by bargaining agents or counsel, but by themselves. These cases generally require more time on the part of the PSLRB's employees and adjudicators.

The decision of the Supreme Court of Canada with respect to **Health Services and Support – Facilities Subsector Bargaining Assn. v. British Columbia**, 2007 SCC 27 recognized collective bargaining as a constitutional right protected under the *Canadian Charter of Rights and Freedoms* for the first time in Canadian history. This decision has the potential to change the context of applications before the PSLRB—for example, by questioning the constitutional validity of some aspects of the existing labour relations framework, in such areas as the scope of bargaining, certification procedures and the right to unionize.

The environment in which the PSLRB's new compensation analysis and research function operates is challenging, given that the needs and interests of the employers and bargaining agents using compensation data are diverse and sometimes divergent. The Board must ensure that it addresses these varied requirements within tight deadlines with the added complexity of contracting with various service providers for the development and application of the relevant methodologies and tools.

PSLRB Priorities

In 2007-2008, the PSLRB had two priorities: the delivery of its statutory mandate and the improvement of its management framework and infrastructure.

1) Continue to deliver on the PSLRB's statutory mandate

In 2007-2008, the PSLRB was successful in delivering on its statutory mandate of providing adjudication, mediation and compensation analysis and research services.

Adjudication services

To this end, the PSLRB resolved grievances, complaints and other applications fairly and in line with the legislation and the principles of natural justice. It also made significant progress in closing cases and improving the timeliness of its processes.

PSLRB caseload

Grievances:	3885	81%
Complaints:	173	4%
Applications:	761	15%
Total active cases:	4819	100%

For several years now, the PSLRB has had a large adjudication caseload, which has influenced its capacity to process cases in a timely manner. However, the period 2007-2008 was the first time that there was a decline in the number of new cases received by the PSLRB since the coming into force of the *PSLRA* on April 1, 2005. New cases fell by 10% compared with the previous year, and the number of active cases before the PSLRB—which includes new and existing cases combined—dropped by 19%. At 4819 active files, however, the total caseload remains sizeable.

Out of the total caseload, it was the number of new grievance cases referred for adjudication that saw the largest drop—by 30% to 893—compared with the previous year.

This is substantially lower than in the peak years of 2003 to 2005, when the number received each year approached the 2000 mark.

The PSLRB closed just over a quarter of all grievance cases in 2007-2008. The vast majority of these cases were settled by the parties involved or were withdrawn as a result of mediation; the rest were closed as a result of decisions rendered after adjudication hearings. For the second year running, the PSLRB was successful in closing more grievance cases than it opened, thus reducing its overall caseload.

Cases can be carried over to the next fiscal year for a variety of reasons. Cases carried over include those that were heard in the fiscal year and were awaiting a decision at year-end, cases that were scheduled for hearing in the next fiscal year and cases that were held in abeyance at the request of the parties pending discussions or other decisions from the Board, other tribunals or courts. The number of grievance cases carried forward to the following year was down 5% from 2006-2007 and down 28% from 2005-2006.

It has now been three years since the *PSLRA* replaced the *Public Service Staff Relations Act (PSSRA)*. While the number of grievance cases submitted under the *PSSRA* still before the PSLRB is going down, *PSSRA* cases continue to be submitted—114 in 2007-2008. In 2007-2008, 809 *PSSRA* grievance cases were closed, leaving 1318 to be carried over to 2008-2009. In the near future, the PSLRB seeks to close all *PSSRA* cases.

The PSLRB continually strives to keep active cases to a manageable number and to reduce the time taken to close cases by innovating and improving its practices. New case management tools have been introduced to allow for the screening of new grievance and complaint cases. This screening identifies trends and permits matters to be heard together to be grouped for administrative purposes and tracked as a common element.

For some time now, the PSLRB and its two largest clients (the Public Service Alliance of Canada and the Treasury Board) have been discussing ways to better manage the large number of cases involving the two organizations. In the period under review, the three organizations met to consider new ways to tackle the large number of cases that are filed with the PSLRB each year. A project piloting various approaches to manage the caseload will be launched in 2008-2009.

The PSLRB is working to make increased use of *PSLRA* provisions that allow for the convening of pre-hearing conferences. These have proven to be effective in clarifying issues prior to the start of a hearing, and, in some cases, they eliminate the need for an in-person hearing altogether. Pre-hearing conferences still present a challenge for the parties, who have to make themselves available both for the formal hearing and for these conferences.

The PSLRB has used teleconferences and videoconferences on a selective basis for certain portions of hearings, such as closing arguments, where parties are already well known to each other and no witnesses are required to testify. Using such technology only under limited circumstances alleviates concerns about credibility and the right of individuals to

face those who have alleged misconduct on their part. It also has the potential to save parties from having to travel long distances for short periods of time.

For a number of years, the PSLRB has offered expedited adjudication to parties who want to save time and resources. This allows certain grievances to be dealt with without resorting to a full hearing process. In the expedited process, the parties normally file an agreed statement of facts and no witnesses are heard. The parties agree that decisions rendered in the expedited process are not precedent-setting and will not be subject to judicial review. Oral decisions are given to the parties at the hearing. A short written decision follows within five days.

Client satisfaction with the PSLRB's adjudication services is generally quite high. In 2007, the PSLRB sent out a survey to assess the satisfaction of its clients. The survey was administered to 376 clients who had an interaction with the Board during the 18-month period covered by the survey (January 2006 to June 2007). Clients included employer representatives/third party employer representatives, bargaining agent representatives/third party bargaining agent representatives and third party representatives for applicants. With 234 surveys completed and compiled, the survey had a high response rate of 82.9% and yielded valid results. Full results are available at www.pslrb-crtfp.gc.ca.

Approximately 52% of clients responding to the survey reported that they had been involved with PSLRB adjudication and other types of hearings in the period covered by the survey. Most clients had appeared at an adjudication or other type of hearing once (26%) and approximately half (59%) had attended three times or fewer.

Adjudication services

Percentage of PSLRB clients satisfied/very satisfied with:

Timeliness of information provided by the Registry	75%
Overall services of the Registry	80%
Opportunity to present case	85%
Procedural fairness	79%
Usefulness of decision	72%
Clarity of decision	68%
Scheduling of hearings	57%

Timely issuing of decisions	45%

Source: Charts 6.1, 6.2 and 7.2, 2007 Client Satisfaction Survey

Mediation services

The demand for the PSLRB's mediation services continues to rise. PSLRB mediators and Board members acting as mediators have a strong record of success in helping parties find solutions to their problems without the need for more formal hearings.

The purpose of mediation is not to determine who is right or wrong but rather to define the issues in dispute more clearly and to find creative and acceptable solutions that are not always available at adjudication and that will satisfy the needs of all the parties.

The PSLRB offers mediation to all parties involved in complaint and grievance cases. In 2007-2008, parties agreed to proceed with mediation in 32% of new cases received.

Parties are encouraged to continue working towards a settlement even after the matter has gone to adjudication, since it is preferable that the parties resolve the dispute on their own. The PSLRB offers the parties the opportunity to participate in mediation at any time during the adjudication process with the adjudicator usually conducting the mediation with the consent of the parties.

By actively promoting mediation as an alternative way to resolve disputes, the PSLRB has reduced the number of grievance or complaint cases that go to formal adjudication. A single mediation can often resolve numerous similar cases. In 2007-2008, the PSLRB provided mediation services that affected a total of 899 grievance and complaint cases. Parties were able to settle or withdraw 807 of those cases before they went to a hearing, resulting in an 89% success rate.

The Board's mediation services also include preventive mediation, which is aimed at resolving disputes even before an application is filed. This can help reduce the number of cases before the Board. The success rate of preventive mediation continues to be high. In 2007-2008, it was 91%, reflecting that fact that 68 out of 74 cases were settled or withdrawn.

The PSLRB also assists parties in their collective bargaining efforts through its mediation, conciliation and arbitration services. In providing these services, the PSLRB either helps parties reach agreements or establishes mechanisms by which disputes between the parties can be resolved by an independent third party, thus avoiding potential labour disruptions that could adversely affect the provision of government services to Canadians.

With the launch of a major round of public service collective bargaining in 2007-2008, the PSLRB was called upon five times to provide the services of a mediator to assist parties in the negotiation of their collective agreements. Three mediator's reports were issued. No settlements took place.

The PSLRB also receives requests for conciliation and binding arbitration when negotiations break down. The Public Interest Commission (PIC) is a new process introduced by the *PSLRA* to help parties settle their collective agreements. These non-permanent bodies consist of one or three persons who are appointed by the Minister on the recommendation of the Chairperson of the Board to assist the parties by making recommendations for settlement. The recommendations are not binding on the parties. In 2007-2008, there were no requests for PICs, but some are expected with the round of collective bargaining that will take place in the next fiscal year.

If parties are unable to settle their collective agreements through negotiation, binding arbitration can also be undertaken. This culminates in an arbitral award (a decision) that is legally binding upon both parties and thus precludes any legal strike action. Arbitration boards are established by the Chairperson of the Board. Six arbitration boards were established in 2007-2008, five of which resulted in arbitral awards.

Client satisfaction with the PSLRB's mediation services is generally very high. More than two-thirds (67%) of clients indicated that they had used these services in the period covered by the survey.

Mediation services

Percentage of PSLRB clients satisfied/very satisfied with:

Grievance/complaint mediation services	82%
Preventive mediation	90%
Timeliness of mediation services	75%
Collective bargaining mediation	86%
Training in interest-based negotiation and mediation	95%

Source: Chart 8.2, 2007 Client Satisfaction Survey

Compensation Analysis and Research Services

The purpose of the PSLRB's Compensation Analysis and Research Services (CARS) is to support the parties to collective bargaining in the federal public service in their discussions and negotiations over compensation issues by providing them with comprehensive, accurate, timely information gathered by an authoritative neutral source. CARS also aims to assist arbitration boards and public interest commissions in resolving disputes by providing relevant comparative analyses of compensation data.

In 2007-2008, the PSLRB continued to build the compensation analysis and research function and began work to deliver compensation data. CARS undertook two compensation data pilot projects, the results of which were to be used in the round of public service collective bargaining scheduled for 2008.

All the parties to bargaining were given an opportunity in 2006-2007 to identify their requirements for compensation information and propose specific research projects. After extensive consultations, the PSLRB initiated three compensation comparability studies.

The first was a pan-Canadian study of current wages and benefits offered by public and private sector employers for 30 technical services occupations. It was steered by the PSLRB in consultation with the Public Service Alliance of Canada and the Treasury Board of Canada Secretariat. Conducted by AON Consulting, it was published in April 2008.

The second was a study of health services occupations that was conducted for the Treasury Board of Canada Secretariat and the Professional Institute of the Public Service of Canada. It was launched in February 2007 with a scheduled completion date of June 2008 and results to be published shortly thereafter. Although the study was planned to be conducted by Statistics Canada in collaboration with l'Institut de la statistique du Québec, Statistics Canada withdrew from the project in the fall of 2007, after concluding that it could not meet the PSLRB's timelines and required greater internal compensation expertise.

The PSLRB undertook to complete the study on its own, with the assistance of a team of consultants that was responsible for field visits and data collection. Within the short period set for the study, the PSLRB aimed to complete all aspects required: developing the job-matching specifications for all occupations included in the survey, preparing both the total compensation questionnaire in paper, electronic and interactive formats and the database and calculation programs, conducting the field visits to nearly 200 respondent organizations representing the health sector across Canada and analyzing and publishing the results.

These two studies will add to the wealth of information and experience that will serve as a solid foundation for the PSLRB's national compensation research strategy to be implemented in 2009-2010. The two studies can be found on the PSLRB's website at www.pslrb-crtfp.gc.ca.

A third study of selected security enforcement-related occupations was to be conducted with the Treasury Board of Canada Secretariat and the Public Service Alliance of Canada. However, the parties were unable to come to an agreement on a key issue, and the PSLRB was compelled to discontinue the study.

The *PSLRA* provides for the establishment of an independent advisory board to give advice to the Chairperson on the compensation analysis and research services provided by the PSLRB.

The first Advisory Board, chaired by Maryanne Webber of Statistics Canada, presented its final report to the Chairperson of the PSLRB in November 2007. The report outlined the Advisory Board's accomplishments during its two-year term and offered a number of recommendations to assist the Chairperson in improving the Advisory Board's overall effectiveness.

Future members of the Advisory Board will be asked to reflect on the methodology, tools and processes used to date, and the results achieved, and to make recommendations relating to the timely launch of a broader national compensation survey.

The PSLRB continues to recognize the importance of consulting with the parties to bargaining and other stakeholders. The parties directly affected by the two current studies were actively involved in developing all survey parameters and tools. In addition to working with the Advisory Board on the development of its longer-term survey strategy, the PSLRB will seek ways to engage the collective bargaining community within the federal public service in similar consultations.

The PSLRB is also committed to working in partnership with provincial and territorial governments, in an effort to foster collaborative approaches that meet the needs and interests of all jurisdictions and avoid the unnecessary duplication of efforts and services and undue burden on survey respondents. The study covering health occupations proved to be an excellent opportunity to demonstrate the benefits of working together in areas of common interest.

2) Continue to enhance and improve the PSLRB's management framework and infrastructure

In 2007-2008, the PSLRB was successful in enhancing its management framework and infrastructure, which supports its legislative mandate, ensures accountability and sets out a shared vision of expected results. Areas for improvement are identified and initiatives are undertaken on an ongoing basis to enhance the PSLRB's practices, policies, frameworks and systems.

Efforts to secure a permanent funding base for the PSLRB continued in 2007-2008. As previously stated, the PSLRB has been seeking adequate and stable funding for several years now and hopes to secure a permanent funding base in the near future.

The results of the 2007 TBS Management Accountability Framework assessment revealed a number of strengths with respect to the PSLRB's management practices. The assessment outlined the PSLRB's strong performance in the areas of effective information technology and procurement management, and in the quality of its program and policy analysis. The PSLRB's efforts in managing organizational change were also highlighted, notably its comprehensive plan to transition to functioning under the *PSLRA*, along with its strong employee and stakeholder engagement and learning culture.

In the area of IT security, the PSLRB continues to integrate IT security requirements in all decisions made related to new projects and services and to establish processes that ensure security requirements for systems and services are reviewed at each stage of their life cycle. In 2007-2008, the PSLRB also established and maintained more active relationships with security establishments such as Public Safety Emergency Preparedness Canada and is an active member of the Public Works and Government Services Canada IT Security Management Board.

The PSLRB uses Government of Canada PKI to encrypt and digitally sign electronic messages and/or files and, when deemed necessary, to encrypt notebook hard drives that contain particularly sensitive information. The PSLRB is also examining the use of biometrically secured "thumb drives" for the secure storage of sensitive data that is being taken out of the office.

In addition to making use of all mandatory Government of Canada shared IT services and relying on government-wide initiatives and strategies to deliver on other elements of the standards, the PSLRB continues to look at other opportunities to make use of shared services to deliver more efficient and more secure services.

In the area of infrastructure improvement, in 2007-2008, the PSLRB continued to develop the new case management system that has been in progress since 2005-2006. This project was launched to respond to the pressures of a higher volume of increasingly complex cases, to facilitate more detailed reporting, to give employees more efficient, up-to-date and integrated tools for managing cases, and to conform to government information technology standards. The new case management system will allow the PSLRB to manage case information electronically from initial intake to the distribution and posting of the decision. The system will also facilitate more detailed reporting in support of the PSLRB's new performance measurement framework.

In 2007-2008, development work on the case management system focused on documenting business processes and securing approval from potential users before going forward with design work. A technical solution was put forward and approved. The system, which was scheduled to be delivered by the end of 2007-2008, was delayed due to the departure of a

number of key resources on the development team. It was deployed in July 2008 for increased testing by potential users.

In 2007-2008, the PSLRB undertook efforts to improve the management of its information, recognizing that, as a valuable asset, information is and must be managed throughout its life cycle to meet legislative and policy requirements in areas such as access, privacy, security, official languages and records management. In October 2007, the PSLRB implemented its information management policy, which supports efficient and effective information management, from planning and systems development to disposal or long-term preservation, in order to support service delivery, foster informed decision making, facilitate accountability, and preserve and ensure access to information and records for the benefit of present and future users.

A manual documenting responsibilities under the *Access to Information and Privacy Acts* was prepared and put into practice April 1, 2007. This manual outlines the organization's obligations under the legislation, its approach to processing ATIP requests and the relevant delegated authorities.

In early 2008, the PSLRB also proceeded with an organizational structure review of its information management services including a thorough assessment of current workflow and practices in order to implement the policies advocated in the Government of Canada Information Management Policy released in July 2007 and to assist in the implementation of its Information Management Strategy.

Since 1996, the PSLRB has made it a practice to conduct an average of two internal audits per year. The PSLRB produces a multi-year audit plan addressing the areas of highest risk and significance. The intent of the plan is to obtain approval from the Board's Executive Committee as to the selection of audits and reviews that will provide the latter with assurance that an appropriate management accountability framework exists to carry out the activities of the PSLRB. Managers are also responsible for ensuring the identification and assessment of the major risks to the organization and that sufficient information is provided to senior management for decision-making purposes. When assurance cannot be provided, the auditors formulate recommendations to make improvements where required.

The audit planning process is based on the Treasury Board Secretariat's Risk-Based Internal Audit Priorities Toolset for Small Departments and Agencies. Using these documents, the PSLRB identified sources of risks through the form of potential audit and management review projects.

Over the past few years, the PSLRB has undertaken a number of audits and management reviews of the following activities and/or functions: succession planning, travel and procurement, information technology, compensation, applications threat and risk assessment, internal review of operations, management of personal information, Internet security and the organization's financial management framework.

The February 2008 audit of the PSLRB's financial management framework concluded that the PSLRB's financial management control framework is effective in ensuring that:

- the financial accountability framework is an established component of the PSLRB's management framework and is effective from a management and program perspective;
- the PSLRB's financial management processes are adequate and dependable and financial management and reporting systems are in place;
- financial information and advice is available, is provided and is adequate to support the financial management activities of the PSLRB.

The audit also concluded that the PSLRB has established an effective strategic and business planning framework and a formal budget review process through which new initiatives and funding pressures on the PSLRB are reviewed at its Executive Committee meetings and proposed courses of action are considered and adopted. Overall, the audit determined that the PSLRB has established a planning, budgeting and financial reporting process that ensures the effective control of its resources.

In the coming fiscal year, the PSLRB plans to conduct an audit of its human resources services and will be participating in the Horizontal Audit on Contracting for Professional and Technical Services initiated by the Office of the Comptroller General in 2007-2008.

In December 2007, the PSLRB finalized a performance measurement framework that includes clear and measurable expected results for its main program activity and performance indicators for each expected result. The framework is set out and reported on in Section II of this report.

Program evaluation opportunities are limited at the PSLRB due to the statutory and quasi-judicial nature of its mandate, the relatively small size of its budget and the absence of discretionary programs. However, the PSLRB solicits client feedback with respect to its services in a formal way by conducting client satisfaction surveys every three years. This survey allows for the tracking of trends over time and is a key source of performance-related data. Results from the PSLRB's client satisfaction survey conducted in 2007 are reported elsewhere in this report and indicate a high overall level of satisfaction with the PSLRB's services.

The satisfaction of the PSLRB's clients (employers, bargaining agents and other users), the timeliness of its processes, the quality of its decisions and the success of its mediation services will continue to be key indicators used to measure performance. Indicators are also being developed with respect to the compensation information that is collected, analyzed and disseminated to the parties to collective bargaining and to the public. The PSLRB is currently collecting data on some of these indicators but intends to begin collecting data on many more in 2008-2009. More complete data collection is expected

with the implementation of the new case management system. Key sources of data in addition to the case management system include statistics on cases submitted for judicial review, and other formal and informal consultations that are undertaken with clients to obtain regular feedback.

The effective management of human resources requires good human resource planning. In 2007-2008, human resources planning was integrated with the PSLRB's strategic business planning. Human resources representatives participated in the PSLRB's strategic planning meetings and provided advice on HR issues in relation to the strategic priorities established. Each division subsequently developed HR plans reflecting immediate and future needs. These plans were rolled into a corporate HR plan that identifies organization-wide initiatives in the areas of staffing, retention, succession planning, and training and development and are linked to the strategic business priorities of the PSLRB.

Given that the PSLRB's mission is to promote harmonious labour relations in the federal public service, it is committed to having policies and practices in place that support the engagement of its own employees and good labour relations within its own workplace.

The PSLRB holds in-person feedback sessions every month to inform all employees of significant activities and initiatives and to provide them with an opportunity to ask questions, raise issues and interact with colleagues and management. Summaries of discussions held at the Executive Committee's monthly meetings are shared with employees on the PSLRB Intranet.

An interactive Web-based internal communications tool is also available that allows employees to ask management questions and obtain answers without revealing their identity. This has been used by employees to make suggestions and gain clarity on PSLRB policies and practices in many areas. The PSLRB has also established an employee consultation committee, which is a joint management-employee group that meets as required to exchange information on workplace issues.

As part of the PSLRB's informal conflict management system (ICMS), all employees are encouraged to take in-house courses to build skills in communications and understanding conflict. The purpose of the ICMS is to give employees the information and skills they need to prevent and effectively deal with workplace conflict as well as the support they need to resolve conflict informally. In addition to skills-building courses and information-sharing and dialogue mechanisms that are part of the ICMS, employees also have access to coaching, facilitated discussions and mediation when dealing with conflict.

The PSLRB also continues to assess opportunities for alternative service delivery, such as partnerships with other independent tribunals in the delivery of specific corporate services. As active members of a number of networks in the Small Departments and Agencies (SDA) community, the PSLRB is keeping abreast of opportunities for such partnerships.

In the context of responsible spending and shared services, in June 2005, the PSLRB entered into a three-year agreement with the Public Service Staffing Tribunal to provide them with corporate services in the following areas:

- information technology
- finance
- compensation
- Human Resources Information System (HRIS)
- library services
- sharing of hearing and mediation rooms.

As this agreement was deemed mutually satisfactory, it is being renewed for an additional three-year period.

Link to the Government of Canada Outcome Areas

As a federal quasi-judicial tribunal operating in the area of labour relations, the Public Service Labour Relations Board is aligned to the "Government Affairs" Outcome area in the Government of Canada's whole-of-government framework described in more detail in *Canada's Performance Report 2006-07: The Government of Canada's Contribution*. The resources allocated to the Board contribute to supporting a "public service that reflects excellence and leadership" as set out in this framework.

SECTION II: ANALYSIS OF PROGRAM ACTIVITY BY STRATEGIC OUTCOME

Detailed Analysis by Program Activity

The PSLRB has one strategic outcome and one program activity, under which fall three distinct areas of service: adjudication services, mediation services and compensation analysis and research services. The PSLRB's program and services are carried out in support of harmonious labour relations in the federal public service and in the institutions of Parliament.

Description of Program Activity

Adjudication services

Board members render decisions on complaints and labour relations applications, and act as adjudicators in grievance hearings under the *PSLRA* and the *PESRA*.

Grievances are referred to the PSLRB mainly as a result of "rights disputes" that relate to:

- the interpretation of collective agreements and arbitral awards;
- disciplinary action resulting in termination, demotion, suspension or financial penalty;
- demotion or termination for unsatisfactory performance or for any other non-disciplinary reasons; and
- deployment without an employee's consent.

If a public service employee presents a grievance within a department or agency and it reaches the end of the internal grievance process without having been resolved to the employee's satisfaction, he or she may refer the grievance to adjudication before the PSLRB if the subject matter falls within the areas mentioned above.

Complaints cover:

- unfair labour practices; and
- reprisal actions taken for raising an issue under Part II of the *Canada Labour Code*.

Applications cover:

- certification and revocation of certification;
- determination of successor rights;
- determination of managerial or confidential positions;
- determination of essential services agreements;
- review of prior PSLRB decisions; and

- requests for extensions of time to present grievances or to refer grievances to adjudication.

Mediation services

The PSLRB provides a range of mediation services, which include:

- assisting parties through conciliation and arbitration in the negotiation and renewal of collective agreements;
- assisting parties in handling issues arising from the implementation of collective agreements;
- helping parties work together to resolve grievances and complaints referred to the Board and thus avoid a formal adjudication hearing.

The PSLRB offers a two-and-a-half-day interactive training session at the national level on interest-based negotiations and mediation, which is geared specifically to labour relations in the federal public service. The high demand for such training, along with the joint union-management approach used, makes this training program a unique and critical activity for the PSLRB's clients.

The training familiarizes the parties with the benefits of mediation and interest-based conflict resolution and supports the culture change that is often needed to make use of those approaches to resolve cases. The expected results are that the parties will become more comfortable with, and make greater use of, these approaches, which have proven to be very effective and critical to the PSLRB in its ability to manage—and reduce—its caseload.

Compensation Analysis and Research Services

The PSLRB is charged with establishing and delivering a compensation analysis and research function that will generate compensation data to be used by parties engaged in the collective bargaining and compensation determination processes in the federal public service as well as by other public and private organizations and individuals.

Specifically, the PSLRB collects, analyzes and disseminates impartial, accurate and timely information on rates of pay, employee earnings, conditions of employment, benefits and related practices prevailing in the public and private sectors to meet the needs of bargaining agents and employers in the Public Service of Canada. The survey and research results, aggregated to protect the confidentiality of respondents, are disseminated to the more than 50 parties to the collective bargaining process in the federal public service, as well as to other public sector institutions, private sector organizations and the general public.

Other services

As required by the *PSLRA*, the PSLRB provides physical and administrative support services to the National Joint Council (NJC), an independent consultative body of employer and employee representatives. The NJC exists to determine public service-wide issues that do not lend themselves to unit-by-unit bargaining. The PSLRB houses the NJC but plays no direct role in its operation.

Under an agreement with the Yukon government, the PSLRB administers the collective bargaining and grievance adjudication systems under the Yukon *Education Labour Relations Act* and the Yukon *Public Service Labour Relations Act*. When performing these functions funded by the Yukon government, the PSLRB acts as the Yukon Teachers Labour Relations Board and the Yukon Public Service Labour Relations Board, respectively.

Performance Measurement Framework

The PSLRB's performance measurement framework was developed and finalized in 2007-2008 as part of its strategic planning process. The framework sets out expected results for the PSLRB as well as key performance indicators, targets and dates to achieve targets.

In the future, data to measure performance will come from the PSLRB Client Satisfaction Survey conducted every three years, the case management system, service-specific databases and manual data collection.

Recognizing that performance data has not been collected in many of these areas for the 2007-2008 fiscal year, the PSLRB has attempted to include as much existing performance data as possible to serve as a baseline for comparisons with future years.

2007-2008	
Program Activity: Adjudication, mediation, and compensation analysis and research	
Expected results	**Key performance indicators, targets and dates to achieve targets**
Harmonious labour relations in the federal public service and Parliament	**Performance indicator**: Percentage of clients who are satisfied with (a) the PSLRB's ability to improve labour relations in the federal public service and Parliament through impartial and open processes and (b) the quality of assistance, reports and educational tools the PSLRB provides

Performance data:

(a) Ability to improve labour relations

- 67% of clients were satisfied/very satisfied with the PSLRB's ability to improve relations between parties by ensuring that all processes are impartial and open.

- 53% of clients were satisfied/very satisfied with the assistance provided by the PSLRB to the parties and its decisions, believing they provide useful guidance to the parties on the conduct of their ongoing and future relationship.

- 63% of clients were satisfied/very satisfied with the PSLRB's ability to foster collaboration between parties by assisting them, where possible, to resolve their differences on their own.

- 59% of clients were satisfied/very satisfied with the PSLRB's ability to develop and deliver educational tools, such as mediation training and topic-specific presentations at conferences, which promote collaborative methods for resolving disputes.

Data source: 2007 Client Satisfaction Survey.[1]

(b) Quality of assistance, reports and tools

Adjudication services

- 80% of clients were satisfied/very satisfied with the overall hearing process.
- 85% of clients were satisfied/very satisfied with the opportunity to present their case.
- 79% of clients were satisfied/very satisfied with procedural fairness.
- 75% of clients were satisfied/very satisfied with timeliness of information provided by the Registry.
- 72% of clients were satisfied/very satisfied with usefulness of decision.
- 68% of clients were satisfied/very satisfied with

	the clarity of the decision. Mediation services • 82% of clients were satisfied/very satisfied with grievance/complaint mediation services. • 90% of clients were satisfied/very satisfied with preventive mediation. • 86% of clients were satisfied/very satisfied with collective bargaining mediation. • 95% of clients were satisfied/very satisfied with training in interest-based negotiation and mediation. PSLRB website • 90% of clients were satisfied/very satisfied with the PSLRB's website overall. Data source: 2007 Client Satisfaction Survey.[1]
	Target: 75%
	Date to achieve target: 31/03/2011
Parties before the PSLRB receive a timely and fair resolution of their case	**Performance indicator**: Percentage of clients who are satisfied with the PSLRB's services with respect to timeliness and fairness.
	Performance data: • 57% of clients were satisfied/very satisfied with scheduling of hearings. • 60% of clients were satisfied/very satisfied with postponements. • 45% of clients were satisfied/very satisfied with the timely issuing of decisions. • 75% of clients were satisfied/very satisfied with timeliness of mediation services. • 75% of clients were satisfied/very satisfied with timeliness of information provided by the Registry. • 85% of clients were satisfied/very satisfied with the opportunity to present their case.

	• 79% of clients were satisfied/very satisfied with procedural fairness. Data source: 2007 Client Satisfaction Survey.[1]
	Target: 75%
	Date to achieve target: 31/03/2011
Disputes are resolved through mediation interventions	**Performance indicator**: Percentage of mediation efforts in relation to grievances or complaints that fully resolve issues.
	Performance data: Grievance and complaint mediations: 89% of cases fully resolved* *Calculated as percentage of total number of completed mediation cases (899) that were settled or withdrawn (807).
	Target: 80%
	Date to achieve target: 31/03/2009
	Performance indicator: Success rate of preventive mediation cases (defined as a case not related to an adjudication case before the Board).
	Performance data: 91%* *Calculated as percentage of total number of preventive mediation cases (74) that were settled or withdrawn (68).
	Target: 85%
	Date to achieve target: 31/03/2009
The PSLRB's compensation data improves the process of collective bargaining	**Performance indicator**: Percentage of PSLRB interventions with respect to collective bargaining (mediations, public interest commissions, arbitration boards) that use the PSLRB's compensation data, when such data is available.
	Performance data: Data not available.
	Target: 80%
	Date to achieve target: 31/03/2010

Outputs	Performance indicators, targets and dates to achieve targets
Decisions on applications, complaints and grievances	**Performance indicator**: Percentage of decisions issued within four months of the last day of the hearing or other proceeding
	Performance data: 50%
	Target: 75%
	Date to achieve target: 31/03/2009
	Performance indicator: Among decisions sent for judicial review, percentage of challenges upheld in relation to the total number of decisions issued over a five-year period.
	Performance data: 1.7%* *12 applications were allowed out of 698 decisions rendered over the five-year period running from April 1, 2003 to March 31, 2008
	Target: 2%
	Date to achieve target: 31/03/2009
Management of cases	**Performance indicator**: Compliance rate with service standards for case management.
	Performance data: Data not available
	Target: 80%
	Date to achieve target: 31/03/2009
	Performance indicator: Percentage of adjudication cases closed during a year over the total number of new cases received during the same year.
	Performance data: -5% for all cases (indicates that 5% more cases were opened than closed in 2007-2008)* *By type of case* Grievances: 15% Complaints: -7% Applications: -35% *Calculated as percentage difference between cases closed and cases opened in a fiscal year.

	Target: 10% more cases closed than new cases opened
	Date to achieve target: 31/03/2009
Mediation in the negotiation and renewal of collective agreements, the management of relations resulting from the implementation of collective agreements, and in relation to grievances, complaints and other proceedings	**Performance indicator**: Percentage of grievance and complaint cases where the parties involved agreed to proceed with mediation efforts.
	Performance data: Parties agreed to proceed with mediation in 32% of new cases received in 2007-2008*. *Calculated as percentage of total number of new 07-08 cases (1533) in which parties agreed to mediation (491). Data not available for all active previous-year cases.
	Target: 60%
	Date to achieve target: 31/03/2009
	Performance indicator: Percentage of collective bargaining mediations that reduce outstanding issues.
	Performance data: 100%* *In 2007-2008, there were three collective bargaining mediations. All three (100%) reduced outstanding issues.
	Target: 50%
	Date to achieve target: 31/03/2009
Training sessions on interest-based negotiation and mediation	**Performance indicator**: Number of registrations per year
	Performance data: 195
	Target: 500
	Date to achieve target: 31/03/2010
	Performance indicator: Percentage of training sessions with a full house (more than 20 participants)
	Performance data: 78%* *7 courses with more than 20 participants, 2 courses with fewer than 20.
	Target: 80%
	Date to achieve target: 31/03/2010

	Performance indicator: Percentage of survey respondents who took the course who were satisfied with the quality of training.
	Performance data: 95% (11 out of 12 clients)
	Target: 80%
	Date to achieve target: 31/03/2010
Outputs	**Performance indicators, targets and dates to achieve targets**
Conciliation and arbitration services	**Performance indicator**: Percentage of processes to establish public interest commissions and arbitration boards that are initiated within five business days of receiving all appropriate documentation.
	Performance data: 100%
	Target: 100%
	Date to achieve target: 31/03/2009
Data on compensation prevailing in the public and private sectors	**Performance indicator**: Percentage of times that compensation information is available in time for negotiations.
	Performance data: Data not available
	Target: 100%
	Date to achieve target: 31/03/2010
	Performance indicator: Percentage of errata issued in relation to the number of reports issued over a three-year period
	Performance data: Data not available
	Target: 5%
	Date to achieve target: 31/03/2010
	Performance indicator: Percentage of clients who indicate that data meets their needs
	Performance data: Data not available
	Target: 80%
	Date to achieve target: 31/03/2011

	Performance indicator: Percentage of clients who are satisfied with methodology.
	Performance data: Data not available
	Target: 80%
	Date to achieve target: 31/03/2011
	Performance indicator: Percentage of clients that are satisfied with consultation and processes
	Performance data: Data not available
	Target: 80%
	Date to achieve target: 31/03/2011
Outreach material	**Performance indicator**: Percentage of clients who are satisfied with outreach material produced by the PSLRB.
	Performance data: Percentage of clients satisfied/very satisfied with the accuracy of information on the website: 93% Percentage of clients satisfied/very satisfied with the clarity of information on the website: 91%. Percentage of clients satisfied/very satisfied with • FAQs: 90%, • Fact sheets: 91% • Practice notes: 84% • Guides: 84%. Percentage of clients satisfied/very satisfied with the website overall: 90%. Note: This Client Satisfaction Survey reflects client views on the PSLRB website before it was substantially redesigned and updated in early 2008.
	Target: 85%
	Date to achieve target: 31/03/2011
	Performance indicator: Percentage increase in visits to PSLRB's website in relation to benchmark year (2007-2008)
	Performance data: Visits in benchmark year (2007-2008): 471,542
	Target: 5%

Date to achieve target: 31/03/2009

[1]The Client Satisfaction Survey, which was conducted in 2007, measures the extent to which clients are satisfied with PSLRB services and helps identify areas for improvement. The survey was administered to 376 clients who had an interaction with the Board during the 18-month period covered by the survey (January 2006 to June 2007). Clients included employer representatives/third party employer representatives, bargaining agent representatives/third party bargaining agent representatives and third party representatives for applicants.

With 234 surveys completed and compiled, the survey's response rate of 82.9% was high, yielding valid results. Respondents were given an opportunity to indicate how satisfied they were with such key services as adjudication, dispute resolution and registry operations. The largest numbers of survey respondents had accessed the PSLRB website, used mediation services for grievances or complaints, and appeared in person at an adjudication hearing. Full results are available at www.pslrb-crtfp.gc.ca.

SECTION III: SUPPLEMENTARY INFORMATION

Financial Performance Overview

The PSLRB's Main Estimates and Planned Spending of $11.4 million were increased by $3.7 million providing the PSLRB Total Authorities of $15.1 million. Included in the PSLRB's Total Authorities is a frozen allotment of $1.0M where no expenditures may be made. The increase in authorities is attributable to:

- $2.5 million incremental sunsetting funding received in Supplementary Estimates to carry out expanded statutory mandate under the *Public Service Labour Relations Act* (*PSLRA*);
- $1.2 million from eligible operating budget carry-forward, adjustments of employee benefits plan and for collective bargaining increases.

Actual spending for 2007-2008 was $11.7 million, $3.4 million less than the total authorities. The PSLRB's lapse can mainly be associated with the withdrawal of Statistics Canada from the study of health services occupations, creating delays in the undertaking of the study, and the decision to discontinue the third study of selected security enforcement-related occupations. These two factors created staffing delays in the area of compensation analysis and research services and significant reduction in its planned operating cost.

Financial Tables

This section provides a summary of the Board's financial performance. The tables included in this section show a comparison of four amounts: Main Estimates, Planned Spending, Total Authorities, and Actual. "Main Estimates" is the amount included in the Government's 2007-2008 Main Estimates. "Planned Spending" is the amount included in the Board's 2007-2008 Report on Plans and Priorities and indicates amounts planned at the beginning of the year. "Total Authorities" include Main, Supplementary, and other Estimate amounts approved by Parliament and the Treasury Board Secretariat. "Actual" shows what was actually spent.

The following financial tables apply to the Public Service Labour Relations Board:

1. Comparison of Planned to Actual Spending
2. Voted and Statutory Items
3. Travel Policies

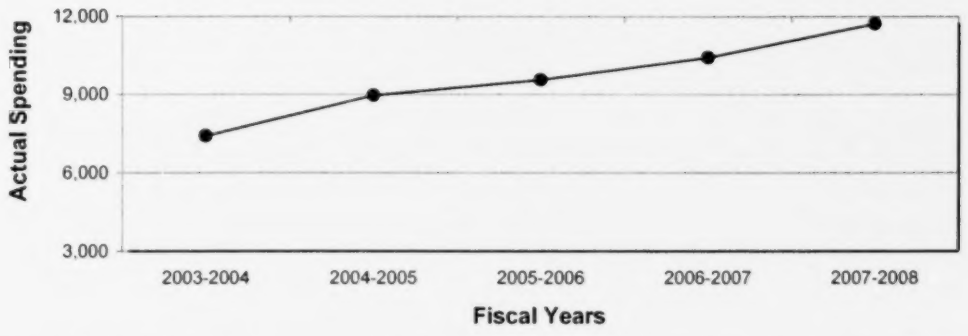
Table 1: Comparison of Planned to Actual Spending
(thousands of dollars)

This table offers a comparison of the Main Estimates, Planned Spending, Total Authorities, and Actual Spending for 2007-2008. It also provides historical figures for Actual Spending.

	2005-2006 Actual	2006-2007 Actual	2007-2008			
			Main Estimates	Planned Spending	Total Authorities	Actual
Adjudication, mediation, and compensation analysis and research	9,549.2	10,407.3	11,405.0	11,405.0	15,181.2	11,726.7
Less: Non-respendable revenue	(0.1)	(30.5)	—	—	—	(13.8)
Plus: Cost of services received without charge	2,165.0	2,376.2	—	2,298.0	2,339.9	2,339.9
Net cost of the Board	**11,714.1**	**12,753.0**	**11,405.0**	**13,703.0**	**17,521.1**	**14,052.8**
Full-time Equivalents	**79**	**85**	**N/A**	**104**	**N/A**	**89**

Note: Total Authorities includes $1.0M in frozen allotment.

Historical Actual Spending
($ thousands)



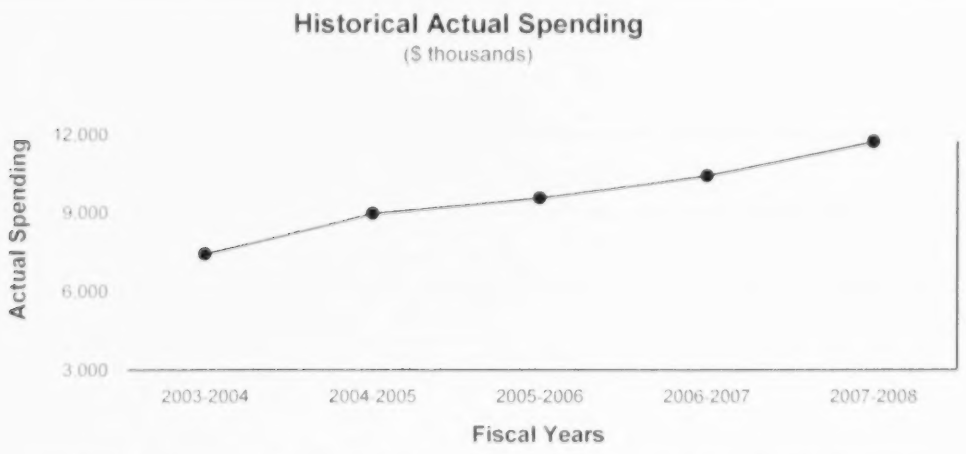
Note: Total actual spending does not include the cost of services received without charge by other departments.

Table 1: Comparison of Planned to Actual Spending
(thousands of dollars)

This table offers a comparison of the Main Estimates, Planned Spending, Total Authorities, and Actual Spending for 2007-2008. It also provides historical figures for Actual Spending.

	2005-2006 Actual	2006-2007 Actual	2007-2008			
			Main Estimates	Planned Spending	Total Authorities	Actual
Adjudication, mediation, and compensation analysis and research	9,549.2	10,407.3	11,405.0	11,405.0	15,181.2	11,726.7
Less: Non-respendable revenue	(0.1)	(30.5)	—	—	—	(13.8)
Plus: Cost of services received without charge	2,165.0	2,376.2	—	2,298.0	2,339.9	2,339.9
Net cost of the Board	**11,714.1**	**12,753.0**	**11,405.0**	**13,703.0**	**17,521.1**	**14,052.8**
Full-time Equivalents	**79**	**85**	**N/A**	**104**	**N/A**	**89**

Note Total Authorities includes $1.0M in frozen allotment



Note Total actual spending does not include the cost of services received without charge by other departments

Table 2: Voted and Statutory Items
(thousands of dollars)

This table explains the way Parliament votes resources to the Board, including voted appropriations and statutory authorities.

Vote or Statutory Item		2007-2008			
		Main Estimates	Planned Spending	Total Authorities	Actual
85	Program expenditures	10,617.0	10,617.0	14,098.1	10,643.6
(S)	Contribution to Employee Benefit Plan	788.0	788.0	1,083.0	1,083.0
(S)	Crown Assets Surplus	—	—	0.1	0.1
	Total for the Board	**11,405.0**	**11,405.0**	**15,181.2**	**11,726.7**

Note: Planned Spending is the amount included in the Board's 2007-08 Report on Plans and Priorities and indicates amounts planned at the beginning of the year.

Table 3: Travel Policies

The Board follows the Treasury Board Secretariat (TBS) Travel Directive, Rates and Allowances, and the TBS *Special Travel Authorities*, with restrictions on the amount that can be claimed by Governor-in-Council (GIC) appointees for meals and accommodations.

Table 2: Voted and Statutory Items

(thousands of dollars)

This table explains the way Parliament votes resources to the Board, including voted appropriations and statutory authorities.

Vote or Statutory Item		2007-2008			
		Main Estimates	Planned Spending	Total Authorities	Actual
85	Program expenditures	10,617.0	10,617.0	14,098.1	10,643.6
(S)	Contribution to Employee Benefit Plan	788.0	788.0	1,083.0	1,083.0
(S)	Crown Assets Surplus	—	—	0.1	0.1
	Total for the Board	**11,405.0**	**11,405.0**	**15,181.2**	**11,726.7**

Note: Planned Spending is the amount included in the Board's 2007-08 Report on Plans and Priorities and indicates amounts planned at the beginning of the year.

Table 3: Travel Policies

The Board follows the Treasury Board Secretariat (TBS) Travel Directive, Rates and Allowances, and the TBS *Special Travel Authorities*, with restrictions on the amount that can be claimed by Governor-in-Council (GIC) appointees for meals and accommodations.

Financial Statements

These Financial Statements are prepared in accordance with accrual accounting principles. The unaudited supplementary information presented in the financial tables of this report is prepared on a modified cash basis of accounting in order to be consistent with appropriations-based reporting. Note 3 of the financial statements reconciles these two accounting methods.

Statement of Management Responsibility

Responsibility for the integrity and objectivity of the accompanying financial statements for the year ended March 31, 2008, and all information contained in this report rests with Board management. These statements have been prepared by management in accordance with Treasury Board accounting policies, which are consistent with Canadian generally accepted accounting principles for the public sector, using management's best estimates and judgments where appropriate, and give due consideration to materiality.

Management is responsible for the integrity and objectivity of the information in these financial statements. To fulfill its accounting and reporting responsibilities, management maintains a set of accounts that provides a centralized record of the department's financial transactions. Financial information submitted to the *Public Accounts of Canada* and included in the Board's *Departmental Performance Report* is consistent with these financial statements.

Management maintains a system of financial management and internal control designed to provide reasonable assurance that financial information is reliable, that assets are safeguarded and that transactions are in accordance with the *Financial Administration Act*, are executed in accordance with prescribed regulations, Board policies and statutory requirements, within Parliamentary authorities and are properly recorded to maintain accountability of Government funds. Management also seeks to ensure the objectivity and integrity of data in its financial statements by careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that regulations, policies, standards and managerial authorities are understood throughout the Board.

The financial statements of the Board have not been audited.

Casper Bloom, Q.C., Ad. E.
Chairperson

Pierre Hamel
Senior Financial Officer

Statement of Operations (unaudited)
For the year ended March 31, 2008

(in dollars)

	2008	2007
OPERATING EXPENSES		
Salaries and employee benefits	8,055,327	7,632,167
Professional and special services	2,193,992	1,446,666
Accommodation	1,826,920	1,940,601
Transportation and telecommunications	683,576	576,643
Acquisition of machinery and equipment	493,823	253,510
Rentals	320,883	274,847
Utilities, materials and supplies	232,265	177,317
Amortization of tangible capital assets	187,186	124,434
Communication	98,026	322,834
Repairs and maintenance	70,735	23,230
Other operating expenses	4,865	617
Total Expenses	14,167,598	12,772,864
REVENUES		
Miscellaneous revenues	13,784	30,549
Total Revenues	13,784	30,549
Net Cost of Operations	**14,153,814**	**12,742,315**

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position (unaudited)
At March 31, 2008

(in dollars)

	2008	2007
ASSETS		
Financial assets		
Receivables from other federal government departments and agencies	165,903	104,660
Advances	1,000	1,000
Total financial assets	**166,903**	**105,660**
Non-financial assets		
Tangible Capital Assets (Note 4)	237,384	290,882
Total non-financial assets	**237,384**	**290,882**
TOTAL	**404,287**	**396,542**
LIABILITIES		
Accounts payable and accrued liabilities		
Federal government departments and agencies	341,429	239,539
Others	1,275,828	1,043,457
Vacation pay and compensatory leave	287,658	279,489
Employee severance benefits (Note 5)	1,326,467	1,287,119
	3,231,382	**2,849,604**
EQUITY OF CANADA	**(2,827,095)**	**(2,453,062)**
TOTAL	**404,287**	**396,542**

Contingent liabilities (note 2(h))

The accompanying notes form an integral part of these financial statements.

Statement of Equity of Canada (unaudited)
For the year ended March 31, 2008

(in dollars)

	2008	2007
Equity of Canada, beginning of year	(2,453,062)	(1,589,185)
Net cost of operations	(14,153,814)	(12,742,315)
Current year appropriations used (Note 3)	11,726,710	10,376,817
Change in net position in the Consolidated Revenue Fund (Note 3)	(273,018)	(828,332)
Revenue not available for spending	(13,784)	(30,549)
Refund of previous year expenditures	-	(15,674)
Services provided without charge by other government departments (Note 6)	2,339,873	2,376,175
Equity of Canada, end of year	**(2,827,095)**	**(2,453,062)**

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flow (unaudited)
For the year ended March 31, 2008

(in dollars)

	2008	2007
Operating Activities		
Net Cost of Operations	14,153,814	12,742,315
Non-cash items:		
Amortization of tangible capital assets	(187,186)	(124,434)
Services provided without charge by other government departments (Note 6)	(2,339,873)	(2,376,175)
Variations in Statement of Financial position:		
Increase (decrease) in accounts receivable and advances	61,243	(302,227)
Increase in liabilities	(381,778)	(627,059)
Cash used by operating activities	11,306,220	9,312,420
Capital Investment Activities		
Acquisitions of tangible capital assets	133,688	189,842
Cash used by capital investment activities	133,688	189,842
Financing Activities		
Net cash provided by Government of Canada	**(11,439,908)**	**(9,502,262)**

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements (unaudited)
Year ended March 31, 2008

1. Authority and Objectives

The mandate of the Public Service Labour Relations Board (the Board), established in 2005 by the enactment of the *Public Service Labour Relations Act* and successor to the former Public Service Staff Relations Board established in 1967, is to effectively and efficiently administer the systems of collective bargaining and grievance adjudication established under the *Public Service Labour Relations Act* and the *Parliamentary Employment and Staff Relations Act*, as well as certain provisions of Part II of the *Canada Labour Code* concerning occupational safety and health applicable to employees in the Public Service. The Board also administers the Yukon *Public Service Labour Relations Act* and the Yukon *Education Labour Relations Act*.

2. Summary of Significant Accounting Policies

The financial statements have been prepared in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector.

Significant accounting policies are as follows:

(a) Parliamentary appropriations – The Board is financed by the Government of Canada through Parliamentary appropriations. Appropriations provided to the Board do not parallel financial reporting according to Canadian generally accepted accounting principles. Consequently, items recognized in the Statement of Operations and the Statement of Financial Position are not necessarily the same as those provided through appropriations from Parliament. Note 3 provides a high-level reconciliation between the bases of reporting.

(b) Net cash provided by Government – The Board operates within the Consolidated Revenue Fund (CRF), which is administered by the Receiver General for Canada. All cash received by the Board is deposited to the CRF and all cash disbursements made by the Board are paid from the CRF. The net cash provided by Government is the difference between all cash receipts and all cash disbursements including transactions between departments of the federal government.

(c) Change in net position in the Consolidated Revenue Fund is the difference between the net cash provided by Government and appropriations used in a year, excluding the amount of non-respendable revenue recorded by the department. It results from timing differences between when a transaction affects appropriations and when it is processed through the CRF.

(d) Revenues – Revenues are accounted for in the period in which the underlying transaction or event occurred that gave rise to the revenues.

(e) Expenses – Expenses are recorded on the accrual basis:

i. Vacation pay and compensatory leave are expensed as the benefits accrue to employees under their respective terms of employment.
ii. Services provided without charge by other government departments for accommodation, the employer's contribution to the health and dental insurance plans and legal services are recorded as operating expenses at their estimated cost.

(f) Employee future benefits

i. Pension benefits: Eligible employees participate in the Public Service Pension Plan, a multiemployer plan administered by the Government of Canada. The Board's contributions to the Plan are charged to expenses in the year incurred and represent the total obligation to the Plan. Current legislation does not require the Board to make contributions for any actuarial deficiencies of the Plan.
ii. Severance benefits: Employees are entitled to severance benefits under labour contracts or conditions of employment. These benefits are accrued as employees render the services necessary to earn them. The obligation relating to the benefits earned by employees is calculated using information derived from the results of the actuarially determined liability for employee severance benefits for the Government as a whole.

Notes to the Financial Statements (unaudited)
Year ended March 31, 2008

(g) Receivables recorded by the Board are from other government departments. Recovery is considered certain and a provision has not been made.

(h) Contingent liabilities – In the normal course of its operations, the Board may become involved in various legal actions. Some of these potential liabilities may become actual liabilities when one or more future events occur or fail to occur. To the extent that the future event is likely to occur or fail to occur, and a reasonable estimate of loss can be made, an estimated liability is accrued and an expense recorded. If the likelihood is not determinable or an amount cannot be reasonably estimated, the contingency is disclosed in the notes to the financial statements. The Board has no contingent liabilities as at March 31, 2008.

(i) Tangible capital assets – All tangible capital assets plus leasehold improvements having an initial cost of $3,000 or more are recorded at their acquisition cost. The Board does not capitalize intangibles, works of art and historical treasures that have cultural, aesthetic or historical value. Amortization of capital assets is done on a straight-line basis over the estimated useful life of the tangible capital asset as follows:

Asset Class	Amortization Period
Furniture and equipment	5 years
Informatics hardware and software	3 years

(j) Foreign currency transactions – Transactions involving foreign currencies are translated into Canadian dollar equivalents using rates of exchange in effect at the time of those transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars using exchange rates in effect on March 31st. Gains and losses resulting from foreign currency transactions are included in the statement of operations.

(k) Measurement uncertainty – The preparation of these financial statements in accordance with Treasury Board accounting policies which are consistent with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses reported in the financial statements. At the time of preparation of these statements, management believes the estimates and assumptions to be reasonable. The most significant items where estimates are used are contingent liabilities, the liability for employee severance benefits and the useful life of tangible capital assets. Actual results could significantly differ from those estimated. Management's estimates are reviewed periodically and, as adjustments become necessary, they are recorded in the financial statements in the year they become known.

Notes to the Financial Statements (unaudited)
Year ended March 31, 2008

3. Parliamentary Appropriations

The Board receives its funding through annual Parliamentary appropriations. Items recognized in the Statement of Operations and the Statement of Financial Position in one year may be funded through Parliamentary appropriations in prior, current or future years. Accordingly, the Board has different net results of operations for the year on a government funding basis than on an accrual accounting basis. The differences are reconciled in the following tables:

(a) Reconciliation of net cost of operations to current year appropriations used (in dollars)

	2008	2007
Net cost of operations	**14,153,814**	**12,742,315**
Adjustments for items affecting net cost of operations but not affecting appropriations:		
Add (Less):		
Services provided without charge by other gov't departments	(2,339,873)	(2,376,175)
Amortization of tangible assets	(187,186)	(124,434)
Increase in employee severance benefit liability	(39,348)	(81,295)
Revenue not available for spending	13,784	30,549
Increase in vacation pay and compensatory leave liability	(8,169)	(19,659)
Refunds of prior years' expenditures	-	15,674
	11,593,022	10,186,975
Adjustments for items not affecting net cost of operations but affecting appropriations		
Add (Less):		
Acquisitions of tangible capital assets	133,688	189,842
Current year appropriations used	**11,726,710**	**10,376,817**

(b) Appropriations provided and used (in dollars)

	2008	2007
Vote 100 — Program expenditures	-	17,073,000
Vote 85 — Program expenditures	10,617,000	-
Vote 85a — Supplementary	2,548,500	-
Transfer from Treasury Board - Vote 15	79,000	106,000
Transfer from Treasury Board - Vote 22	853,650	-
Contributions to employee benefit plan	1,082,950	993,528
Disposal of surplus of Crown assets	141	472
Less:		
Lapsed appropriations: Operating	(3,454,531)	(7,796,183)
Current year appropriations used	**11,726,710**	**10,376,817**

Notes to the Financial Statements (unaudited)
Year ended March 31, 2008

(c) Reconciliation of net cash provided by Government to current year appropriations used (in dollars)

	2008	2007
Net cash provided by Government	**11,439,908**	**9,502,262**
Revenue not available for spending	13,784	30,549
Refunds of prior years' expenditures	-	15,674
Change in net position in the Consolidated Revenue Fund		
Variation in accounts receivable and advances	(61,243)	302,227
Variation in accounts payable and accrued liabilities	334,261	526,105
	273,018	828,332
Current year appropriations used	**11,726,710**	**10,376,817**

4. Tangible Capital Assets (in dollars)

	Cost			Accumulated amortization			2008	2007
Capital asset class	Opening balance	Acquisitions	Closing balance	Opening balance	Amortization	Closing balance	Net book value	Net book value
Informatics Hardware and Software	1,085,820	121,735	1,207,555	802,885	180,501	983,386	224,169	282,935
Furniture and equipment	84,605	11,953	96,558	76,658	6,685	83,343	13,215	7,947
Total	**1,170,425**	**133,688**	**1,304,113**	**879,543**	**187,186**	**1,066,729**	**237,384**	**290,882**

Amortization expense for the year ended March 31, 2008 is $187,186 ($124,434 in 2006-2007).

Notes to the Financial Statements (unaudited)
Year ended March 31, 2008

5. Employee benefits

(a) Pension benefits: The Board's employees participate in the Public Service Pension Plan, which is sponsored and administered by the Government of Canada. Pension benefits accrue up to a maximum period of 35 years at a rate of 2 percent per year of pensionable service, times the average of the best five consecutive years of earnings. The benefits are integrated with Canada/Québec Pension Plans benefits and they are indexed to inflation.

Both the employees and the Board contribute to the cost of the Plan. The 2007-08 expense amounts to $132,422 ($279,091 in 2006-07), which represents approximately 2.1 times for 2007-2008 (2.2 times on 2006-2007) the contributions by employees.

The Board's responsibility with regard to the Plan is limited to its contributions. Actuarial surpluses or deficiencies are recognized in the financial statements of the Government of Canada, as the Plan's sponsor.

(b) Severance benefits: The Board provides severance benefits to its employees based on eligibility, years of service and final salary. These severance benefits are not pre-funded. Benefits will be paid from future appropriations. Information about the severance benefits, measured as at March 31, is as follows:

Employee benefits (in dollars)	2008	2007
Accrued benefit obligation, beginning of year	1,287,119	1,205,824
Expense for the year	132,422	279,091
Benefits paid during the year	(93,074)	(197,796)
Accrued benefit obligation, end of year	1,326,467	1,287,119

6. Related party transactions

The Board is related as a result of common ownership to all Government of Canada departments, agencies, and Crown corporations. The Board enters into transactions with these entities in the normal course of business and on normal trade terms. Also, during the year, the Board received services which were obtained without charge from other Government departments as presented below.

Services provided without charge:

During the year the Board received without charge from other departments, accommodation, legal fees and the employer's contribution to the health and dental insurance plans. These services without charge have been recognized in the Board's Statement of Operations as follows:

Services provided without charge (in dollars)	2008	2007
Accommodation	1,826,920	1,940,601
Treasury Board's contribution to the health and dental insurance plans	512,953	435,574
Total	2,339,873	2,376,175

The Government has structured some of its administrative activities for efficiency and cost-effectiveness purposes so that one department performs these on behalf of all without charge. The costs of these services, which include payroll and cheque issuance services provided by Public Works and Government Services Canada, are not included as an expense in the Board's Statement of Operations.

Appendix A: Adjudication Services

	Carried over from previous years	Rec'd in 2007-08	Total	Closed in 2007-08 (includes cases settled, withdrawn and decided)	Carried forward to 2008-09[1]	Decisions / Orders[2]
Grievances	2992	893	3885	1028	2857	65
Complaints						
▪ Unfair labour practices	89	63	152	53	99	15
▪ *Canada Labour Code* cases	18	3	21	8	13	3
Applications						
▪ Certifications	0	1	1	1	0	1
▪ Revocations of certification	3	1	4	4	0	2
▪ Determination of successor rights	0	0	0	0	0	0
▪ Determination of management and confidential positions	64	530	594	310	284	310
▪ Designation of essential positions	0	7	7	4	3	0
▪ Review of Board decisions	2	3	5	5	0	4
▪ Requests for extension of time	123	27	150	41	109	16
Total Cases	3291	1528	4819	1454	3365	416

Notes

1. Cases can be carried over for a variety of reasons. They may be cases that were heard and were awaiting decisions at year-end, were scheduled for hearing, or were held in abeyance at the request of the parties pending discussions or other decisions from the Board, other tribunals or courts.
2. Decisions and orders may affect more than one case.

Appendix B: Synopsis of Applications for Judicial Review of Decisions

April 1, 2003, to March 31, 2008

	Decisions rendered[1]	Number of applications	Applications withdrawn	Applications dismissed	Applications allowed	Applications pending[2]	Appeals of applications pending[3]
YEAR 1 (April 1, 2003, to March 31, 2004)	108	14	5	8	1	0	0
YEAR 2 (April 1, 2004, to March 31, 2005)	189	19	4	10	5	0	0
YEAR 3 (April 1, 2005, to March 31, 2006)	173	16	4	12	0	0	0
YEAR 4 (April 1, 2006, to March 31, 2007)	116	25	8	9	3	5	0
YEAR 5 (April 1, 2007 to March 31, 2008)	112	23	6	3	3	11	2
TOTAL	698	97	27	42	12	16	2

[1] Decisions rendered do not include cases dealt with under the expedited adjudication process and Managerial Exclusion Orders issued by the Board upon consent of the parties.

[2] Applications that have yet to be dealt with by Federal Court. Does not include appeals pending before the Federal Court of Appeal or the Supreme Court of Canada.

[3] Results of appeals disposed of have been integrated into statistics in this table.

Note: The figures for the last two fiscal years are not final, as not all the judicial review applications filed in those years have made their way through the court system.

Appendix C: Collective Bargaining Cases

April 1, 2007, to March 31, 2008

Arbitration Boards	
Carried over from previous year	4
Received in 2007-2008	6
Total cases	10
Settlements	0
Arbitral awards	5
Carried forward to 2008-2009	5
Requests for Mediator	
Carried over from previous year	1
Received in 2007-2008	5
Total cases	6
Settlements	0
Mediators' reports	3
Carried forward to 2008-2009	3
Conciliation Boards / Public Interest Commissions	
Carried over from previous year	0
Received in 2007-2008	0
Total cases	0
Settlements	0
Conciliation board/PIC reports	0
Carried forward to 2008-2009	0

Appendix D: Other Information

Statutes and Regulations Administered by the Public Service Labour Relations Board

- *Public Service Labour Relations Act*, S.C. 2003, c. 22, s. 2
- *Public Service Labour Relations Board Regulations*, SOR/2005-79
- *Public Service Staff Relations Act*, R.S.C. 1985, c. P-35 (repealed as of March 31, 2005)
- *P.S.S.R.B. Regulations and Rules of Procedure*, 1993, SOR/93-348 (repealed as of March 31, 2005)
- *Parliamentary Employment and Staff Relations Act*, R.S.C. 1985, c. 33 (2d Supp.), as amended.
- *P.E.S.R.A. Regulations and Rules of Procedure*, SOR/86-1140, as amended.
- Sections 133 and 145 of Part II of the *Canada Labour Code*, R.S.C. 1985, c. L-2
- *Education Labour Relations Act*, (Yukon), R.S.Y. 2002, c. 62 (amended by SY 2004, c.8)
- *Yukon Teachers Staff Relations Board Regulations and Rules of Procedure*, O.I.C. 1992/95
- *Public Service Labour Relations Act*, (Yukon), R.S.Y. 2002, c. 185 (amended by SY 2004, c.8)
- *YPSSRB Regulations and Rules of Procedure*, C.O. 1970/226

How to Reach Us

Public Service Labour Relations Board
P.O. Box 1525, Station B
Ottawa, Canada
K1P 5V2

Tel: 613-990-1800
Toll-free: 866-931-3454
Fax: 613-990-1849

General:	Fax: 613-990-1813
Registry Operations and Policy:	Fax: 613-990-3927
Dispute Resolution Services:	Fax: 613-990-9157
Website:	www.pslrb-crtfp.gc.ca

Email address: Mail.courrier@pslrb-crtfp.gc.ca